| TRANSMITTAL SLIP | DATE |
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**TO:** ICS Registry

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REMARKS:

after DDCI signature

**FROM:** Chairman, DCID 1/2

| ROOM NO. | BUILDING | EXTENSION |
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The Deputy Director of Central Intelligence

Washington, D.C. 20505
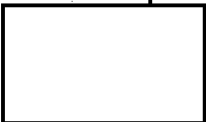
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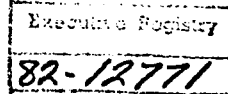
82-12771

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NOTE FOR:  Director, Intelligence Community Staff

Al,

I have signed off on this with the idea that we will see how our first session goes and regroup after that to determine how we might revise it to make it better.

Regarding paragraph 5, I think we have made some good headway in linking producers/consumers to the requirements process.  I do think, however, it would be useful, once you have your feet on the ground, to take a look at the whole DCID 1/2 process and come up with some suggestions for restructuring or whatever as Fred suggests.

N. McMahon

Attachment:
 DCI/ICS 82-3134

25X1

25X1

DCI/ICS 82-3134
8 October 1982

MEMORANDUM FOR:   Deputy Director of Central Intelligence

FROM:            Chairman, DCID 1/2 Committee

SUBJECT:         Implementation of SIG(I) Review of DCID Priorities

1.  In coordination with the IPC staff, we have established procedures for supporting the prospective quarterly review of DCID 1/2 priorities by the SIG(I) Committee you will chair.  Barring excessive delay by the printer, we will be prepared to support the December review, and will make adjustments indicated by that experience.  Specifically:

   - In late October we will send SIG(I) Committee members the latest priority matrices (a new DCID 1/2 attachment); a specially developed summary matrix to facilitate the review process; and an overview of priority revisions during the past six months for background purposes.

   - We will ask that Committee members send us their priority change proposals by mid-November.  The proposals will be collated, annotated as necessary, and redistributed to Committee members in late November for use at the December meeting.

   - The foregoing material will be used to compile a briefing book for your use in preparing for and running the December meeting;

   - Priority revisions decided upon at the December meeting and approved by you will be disseminated in a change notice to holders of the DCID 1/2 attachment.

3.  In conjunction with the above, we will prepare for your signature a cover letter to Committee members providing guidance on conduct of the priorities review.  In this connection, I am making certain planning assumptions in which I request your concurrence or alternate direction. Specifically:

   a.  The SIG(I) Committee will be asked to focus on key DCID 1/2 requirements categories and topics rather than be responsible for all of them.  "Key," in this context, means of major relevance to principal US political, military or economic concerns over the next year or longer as determined by the Committee members.

b.  The DCID 1/2 Committee will maintain responsibility for the overall priorities process, reviewing change proposals and advising the you during periods between SIG(I) quarterly reviews.  The SIG(I) Committee will not, as a matter of course, be asked to formally revalidate priority revision actions taken in the interim between quarterly reviews.  However, since the Committee can address any DCID 1/2 priority assignment it chooses, the effect of a particular interim action can be reversed or altered, the DDCI concurring.

4.  The rationale underlying these assumptions is as follows.  The overall DCID 1/2 topic/country matrix contains some 10,000 individual priorities, with a potential of more than 17,000.  The vast majority of these relate to routine intelligence subjects and requirements.  In the past year, some 1200 priority changes have been made, again mostly of a routine nature. In addition to requiring a substantial amount of time and effort, the burden that responsibility for reviewing and acting on all priority change proposals would entail seems highly inappropriate to an Undersecretary-level committee.  The NITs replaced by the quarterly review were intended to be a vehicle for cataloging subjects of <u>key</u> interest to intelligence users.  To radically expand the SIG(I) Committee's scope of concern would serve to dilute its potential impact on the really significant priority determinations.

5.  While DCID 1/2 priority assignments address requirements of an enduring nature (nominally a year or longer), the overall list is continually evolving with the changing perceptions and concerns of intelligence consumers and producers.  A priorities system which could respond to change only on a quarterly basis would clearly be ineffective and a bottleneck in Community operations, in particular with respect to the NSRL which is closely tied to DCID 1/2 priorities.  The SIG(I) Committee, therefore, needs to be supported by a continuously operative facility that will review priority change proposals on your behalf and perform the necessary secretariat functions between quarterly meetings of the SIG(I) Committee.  At the moment, that facility is the DCID 1/2 Committee, hence my assumption that we will make use of it in this context, at least for the present.  You may very well wish, for the longer run, to replace or restructure the Committee and/or its mission to eliminate potential anomalies created by the advent of the SIG(I) role in priorities.  I would be happy to assist you in addressing that issue.

STAT

cc:  C/IPC

CONCUR: _____
           Deputy Director of Central Intelligence

NON-CONCUR: _____
             Deputy Director of Central Intelligence

_____
       Date

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